# **SENATE AMENDMENTS**

# 2<sup>nd</sup> Printing

By: Vasut, Bumgarner, Hayes H.B. No. 4081

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the sealing of certain documents alleged to contain
3	trade secrets.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Chapter 134A, Civil Practice and Remedies Code,
6	is amended by adding Section 134A.0065 to read as follows:
7	Sec. 134A.0065. SEALING OF CERTAIN DOCUMENTS. (a) A party
8	to an action under this chapter seeking to seal a document
9	containing the party's own alleged trade secret must:
10	(1) file with the trial court:
11	(A) a notice of sealing; and
12	(B) an affidavit:
13	(i) generally describing the type of
14	information contained in the document;
15	(ii) providing contact information for
16	subsequent notice of any motion to unseal the document; and
17	(iii) setting forth the factual basis for
18	the party's allegation that the information constitutes a trade
19	secret;
20	(2) deliver a copy of the document to be sealed to the
21	trial court in a sealed envelope labeled to identify the notice of
22	sealing to which the document corresponds; and
23	(3) serve a copy of the notice, affidavit, and
24	document on each other party to the action.

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1	(b) A party to an action under this chapter filing a
2	document the party knows another person alleges to contain the
3	<pre>person's trade secret shall:</pre>
4	(1) file with the trial court:
5	(A) a notice of sealing; and
6	(B) a statement:
7	(i) generally describing the type of
8	information contained in the document; and
9	(ii) identifying the person who alleges the
10	document contains the person's trade secret;
11	(2) deliver a copy of the document to be sealed to the
12	trial court in a sealed envelope labeled to identify the notice of
13	sealing to which the document corresponds; and
14	(3) serve a copy of the notice, affidavit, and
15	document on:
16	(A) each other party to the action; and
17	(B) any person who alleges the document contains
18	the person's trade secret who is not a party to the action.
19	(c) Not later than the 14th day after the date a person who
20	alleges a document contains the person's trade secret receives a
21	notice under Subsection (b) with respect to the document, the
22	person must file with the trial court in the same numbered cause an
23	affidavit:
24	(1) generally describing the type of information
25	<pre>contained in the document;</pre>
26	(2) providing contact information for subsequent
27	notice of any motion to unseal the document; and

- 1 (3) setting forth the factual basis for the person's
- 2 allegation that the information in the document constitutes a trade
- 3 secret.
- 4 (d) If the trial court receives a notice, statement, and
- 5 sealed document under Subsection (b):
- 6 (1) the document shall be treated as filed under seal
- 7 until the time for filing an affidavit under Subsection (c)
- 8 expires; and
- 9 (2) if no affidavit is timely filed under Subsection
- 10 (c), the document shall be treated as publicly filed until an
- 11 affidavit described by that subsection is filed.
- 12 (e) Once the trial court receives a notice, affidavit, and
- 13 sealed document under Subsection (a) or under Subsections (b) and
- 14 (c), the document shall be treated as permanently filed under seal.
- (f) Any person may intervene as a matter of right at any time
- 16 before or after judgment in an action under this chapter to seal or
- 17 unseal a document. If a person alleges the person's trade secret
- 18 was filed of public record, the person may seal the document
- 19 containing the alleged trade secret by taking the same actions with
- 20 respect to the document that a party to an action under this chapter
- 21 is authorized to take with respect to the party's alleged trade
- 22 secret under Subsection (a).
- 23 (g) The trial court retains continuing jurisdiction to seal
- 24 or unseal a document filed in an action under this chapter.
- 25 (h) Any person may move to unseal any document filed under
- 26 seal under this section. The motion, and notice of hearing, shall
- 27 be served on the parties to the action in which the document was

- H.B. No. 4081
- 1 filed, and the person who submitted an affidavit under Subsection
- 2 (c) or (f), by certified mail, return receipt requested, not later
- 3 than the 14th day before any hearing on the motion in the trial
- 4 court. The trial court shall grant the motion and unseal all or
- 5 part of the document if the person who alleges that the document
- 6 contains the person's trade secrets fails to demonstrate by a
- 7 preponderance of the evidence that the document, or a part of the
- 8 document, contains a trade secret.
- 9 (i) If the trial court determines that only a part of the
- 10 document should be unsealed, the trial court shall redact all
- 11 information that contains a trade secret before providing the
- 12 document to the movant.
- (j) An order granting or denying a motion to unseal a
- 14 document under Subsection (h) is considered to be severed from the
- 15 action and is a final judgment that may be appealed by any party or
- 16 <u>intervenor who participated in the hearing preceding the issuance</u>
- 17 of the order.
- 18 (k) Notwithstanding Section 22.004, Government Code, the
- 19 supreme court may not adopt rules in conflict with this section.
- 20 SECTION 2. The change in law made by this Act applies only
- 21 to a document filed in an action on or after the effective date of
- 22 this Act. A document filed before the effective date of this Act is
- 23 governed by the law applicable to the document immediately before
- 24 the effective date of this Act, and that law is continued in effect
- 25 for that purpose.
- SECTION 3. This Act takes effect September 1, 2025.

ADOPTED

MAY 2 8 2025

By: Surper Jungler

H.B. No. 4081

Substigate the following for H.B. No. 4081:

By: Dupen buglen

c.s.<u>H</u>.B. No. <u>4081</u>

#### A BILL TO BE ENTITLED

1 AN ACT relating to the sealing of certain documents alleged to contain 2 3 trade secrets. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Chapter 134A, Civil Practice and Remedies Code, 5 is amended by adding Section 134A.0065 to read as follows: 6 Sec. 134A.0065. SEALING OF CERTAIN DOCUMENTS. (a) A party 7 to an action under this chapter seeking to seal a document 8 containing the party's own alleged trade secret must: 9 (1) file with the trial court: 10 (A) a notice of sealing; and 11 (B) an affidavit: 12 (i) generally describing the type 13 information contained in the document; 14 (ii) providing contact information for 15 subsequent notice of any motion to unseal the document; and 16 (iii) setting forth the factual basis for 17 the party's allegation that the information constitutes a trade 18 19 secret; (2) deliver a copy of the document to be sealed to the 20 trial court in a sealed envelope labeled to identify the notice of 21 sealing to which the document corresponds; and 22 23 (3) serve a copy of the notice, affidavit, and document on each other party to the action. 24

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          (b) A party to an action under this chapter filing a
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   document the party knows another person alleges to contain the
   person's trade secret shall:
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- 1 (3) setting forth the factual basis for the person's
- 2 allegation that the information in the document constitutes a trade
- 3 secret.
- 4 (d) If the trial court receives a notice, statement, and
- 5 <u>sealed document under Subsection (b):</u>
- 6 (1) the document shall be treated as filed under seal
- 7 until the time for filing an affidavit under Subsection (c)
- 8 expires; and
- 9 (2) if no affidavit is timely filed under Subsection
- 10 (c), the document shall be treated as publicly filed until an
- 11 affidavit described by that subsection is filed.
- (e) Once the trial court receives a notice, affidavit, and
- 13 sealed document under Subsection (a) or a notice, statement,
- 14 affidavit, and sealed document under Subsections (b) and (c), the
- 15 document shall be treated as permanently filed under seal.
- (f) Any person may intervene as a matter of right at any time
- 17 before or after judgment in an action under this chapter to seal or
- 18 unseal a document. If a person alleges the person's trade secret
- 19 was filed of public record, the person may seal the document
- 20 containing the alleged trade secret by taking the same actions with
- 21 respect to the document that a party to an action under this chapter
- 22 is authorized to take with respect to the party's alleged trade
- 23 secret under Subsection (a).
- 24 (g) The trial court retains continuing jurisdiction to seal
- 25 or unseal a document filed in an action under this chapter.
- 26 (h) Any person may move to unseal any document filed under
- 27 seal under this section. The motion, and notice of hearing, shall

- 1 be served on the parties to the action in which the document was
- 2 filed, and the person who submitted an affidavit under Subsection
- 3 (c) or (f), by certified mail, return receipt requested, not later
- 4 than the 14th day before any hearing on the motion in the trial
- 5 court. The trial court shall grant the motion and unseal all or
- 6 part of the document if the person who alleges that the document
- 7 contains the person's trade secrets fails to demonstrate by a
- 8 preponderance of the evidence that the document, or a part of the
- 9 <u>document</u>, contains a trade secret.
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- 11 document should be unsealed, the trial court shall redact all
- 12 information that contains a trade secret before providing the
- 13 document to the movant.
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- 22 to a document filed in an action on or after the effective date of
- 23 this Act. A document filed before the effective date of this Act is
- 24 governed by the law applicable to the document immediately before
- 25 the effective date of this Act, and that law is continued in effect
- 26 for that purpose.
- 27 SECTION 3. This Act takes effect September 1, 2025.

#### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

#### May 29, 2025

**TO:** Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4081 by Vasut (Relating to the sealing of certain documents alleged to contain trade secrets.), As Passed 2nd House

# No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

# **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JMc, SD, WP, NTh, KDw

# FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION Revision 1

May 23, 2025

TO: Honorable Bryan Hughes, Chair, Senate Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4081 by Vasut (relating to the sealing of certain documents alleged to contain trade secrets.),

Committee Report 2nd House, Substituted

## No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JMc, WP, NTh, KDw

#### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

## May 21, 2025

TO: Honorable Bryan Hughes, Chair, Senate Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4081 by Vasut (Relating to the sealing of certain documents alleged to contain trade secrets.), As

**Engrossed** 

## No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

## **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JMc, WP, NTh, KDw

#### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

## **April 8, 2025**

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4081 by Vasut (Relating to the sealing of certain documents alleged to contain trade secrets.), As Introduced

### No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

**Local Government Impact** 

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JMc, KDw, NTh